

FIRE KILLS 3 IN W. FORBES MORGAN HOME

TONIGHT'S WEATHER.—Colder, Probably Snow.



The Evening

"Circulation Books Open to All."



World.

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TO-MORROW'S WEATHER.—Clearing.



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HYLAN DEMANDS TO KNOW WHO REAPED I. R. T. PROFITS

DIPLOMATS BREAK RULES TO AID TREATY

Practically Ignore Wilson and Communicate Directly With the Senators.

PREMIERS BACK OF IT.

Lloyd George and Clemenceau Both Said to Have Cabled About Reservations.

By David Lawrence, Special Correspondent of The Evening World.

WASHINGTON, Feb. 4 (Copyright, 1920).—European diplomacy, hitherto steeped in tradition and the sacredness of precedent, has taken advantage of the topsy-turvy condition in international affairs to cast off its meticulous regard for the official personality of the President of the United States to whom Ambassadors are accredited.

Unable to reach Woodrow Wilson, either because of his illness or his stubborn refusal to enter into parleys with foreign Governments concerning a compromise on the treaty before the American Senate, European Governments have sought and successfully maintained a line of communication direct from their Foreign Offices to the lobbies of the United States Senate.

LLOYD GEORGE AND CLEMENCEAU BOTH IGNORED WILSON.

The true story of what has been generally known in Washington for many months, but which has been confined to the ears of surprise and amazement but no open protest can now be told. The fact that Prime Minister Lloyd George sent a cablegram to Woodrow Wilson, which the latter is said by Senator Borah to have shown to one or two Senators, advising them that reservations to the peace treaty would be acceptable is no less a subject of speculation and interest than the coincident effort of Premier Clemenceau similarly to get in touch with Senator Lodge and other Republican leaders a few weeks ago.

The Massachusetts leader has himself refrained from mentioning the names of any distinguished foreign statesmen who have assured him that reservations would be accepted by the Allies, but it is an open secret that Senator Lodge and Viscount Grey have been in conference and that Mr. Lodge has discussed the treaty with the diplomatic representatives of other countries.

But so has Senator Hitchcock, the Democratic leader, and in fairness to these Senators it must be said that they are generally credited with hav-

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ADVERTISE FOR A SLIM WAITRESS; TAKES LESS ROOM

Coffee House Owner Also Finds They Eat Less and Don't Get Flat Feet.

MILWAUKEE, Feb. 4. JOHN P. MULANEY, Madison coffee house owner, advertised:

"WANTED, slender waitress. Asked why 'slender.' Johnson said: 'They take up less room, are quicker to learn, eat less and don't get flat feet.'"

THE WORLD TRAVEL BUREAU, 400 N. Y. City, Telephone 6000. (Check from the Bureau and return check for ad.)

WAR STILL ON IN WASHINGTON, U. S. FACES 4 BILLION DEFICIT

Army in Peace Times, 1920-1921, Calls for Far More Millions Than Necessary to Run Government in 1916—New Bond Issue Impending

By Martin Green. (Special From a Staff Correspondent of The Evening World.)

WASHINGTON, Feb. 4.—The war ended fifteen months ago, the army has been demobilized, the United States is actually at peace with all the world, but the Congress and the departments and bureaus of the Government are running the business of the Government on a war basis, with the result that the Nation is headed toward a catastrophe. Unless the Congress comes to realization of the outstanding fact that this Government must get back on a peace basis at once, as a measure of self-preservation, the United States will soon find itself in a financial pinch.

The effect of the wartime orgy of expenditure of billions while a patriotic people stood back of their Government without criticism or question is still prevalent in Washington. We have traveled far on the road of extravagance since 1916, the year preceding our active war preparations. The total cost of the Government in that year was \$1,048,000,000.

For the fiscal year ending June 30 the war establishment alone will cost \$1,704,000,000, almost \$700,000,000 more than the total cost of Government in 1916. And for the fiscal year ending June 30, 1921, the war establishment asks for an appropriation of \$1,205,501,505, although the army has been reduced to 250,000 men. In 1916 the war establishment cost \$164,000,000.

This instance is set forth here for the purpose of bringing to the attention of the reader at the outset concrete proof that our Government is still thinking in billions. An armed force of 250,000 asks, through the War Department, for sufficient funds for the maintenance of a military establishment embracing an army of 2,000,000 soldiers.

There is a measure of encouragement for taxpayers in the fact that Representative F. W. Mondell, the Republican floor leader, and other influential Republicans in the House have just agreed to drop the universal military training feature from the Military Bill at a saving of \$700,000,000 per annum.

With 4,000,000 young men recently discharged from the service full of training and grounded in military tactics, subject to the call of the Government, universal military training at a cost sure to reach \$1,000,000,000 per annum in a year or two should be an unthinkable proposition in a nation within reaching distance of unbearable taxation. There are fair prospects that the item will be eliminated in the House. But—

Senator James W. Wadsworth Jr. of New York is the "wet nurse" of universal military training. He is chairman of the Senate Committee on Military Affairs. If his past acts and utterances are reliable guides he will fight for universal military training unless the taxpayers of the State of New York, who furnish the backbone of the national income tax receipts and are about to be mulcted for a State income tax besides, send the Senator some news from home.

WASTE TO CONTINUE FOR POLITICAL PURPOSES.

The inability of the War Department to conserve the war is over infects every branch of the Government. What if the country faces a deficit of from \$2,000,000,000 to \$4,000,000,000, which must be taken up by a bond issue or the imposition of additional taxes? The machinery of government is smothered under a mountain of tax-eating appropriations and tax-eating officeholders. These must be preserved for political purposes, and the only way to preserve them is by continuing the war in Washington.

Only a few years ago the prospect of a deficit was enough to inspire the country and its statesmen with dismay and apprehension. To-day the certainty of a Treasury deficit of \$2,500,000,000 at the end of the

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HYLAN ASKS NAMES OF PROFIT REAPERS ON SUBWAY STOCKS

Wants to Know Stockholders Who Shared in 187 1-2 Per Cent. Disbursements.

HEDLEY HAS 50 SHARES.

I. R. T. President Says Public Should Pay Fare Adequate to Assure Service.

Just before Frank Hedley, President of the Interborough, took the stand at to-day's traction investigation by the Board of Estimate, Mayor Hylan instructed Corporation Counsel Burr to furnish him with a complete list of the stockholders who have reaped a profit of 187 1-2 per cent. on the original subway investment.

"I refer," said the Mayor, "to those who collected as high as 20 per cent. on their investments in certain years and who are now coming forward like beggars and asking the strap-hangers to make good their saturnalia of extravagance. Perhaps we can subpoena some of the more prominent of them and ask them if they will kindly go down in their jeans and chip into a fund to help along the Interborough."

President Hedley, asked by Mr. Burr what economies, if any, he had effected since he became Mr. Shonts's successor, replied that he had reduced office staffs considerably and economized in the purchasing department. Asked if he reduced his own salary, Mr. Hedley replied it had been raised and his duties increased.

Turning to the Rapid Transit Construction Company, a subway construction concern owned by the Interborough, Mr. Hedley explained that it had done \$10,000,000 worth of work, most of which was of a hazardous nature, and that the Interborough had specially fitted men for the work. He closed the third tracking of the elevated lines as dangerous work.

Asked why the Interborough did not have its own construction company to do this work, the witness replied that the Interborough's construction concern then had its hands full.

Mr. Burr wanted to know why Mr. Gillespie had been awarded a contract for third tracking when foundation work and not steel structure work was his specialty. Mr. Hedley replied that T. A. Gillespie has associated with him in the work Sauer & Triest and Terry & Tench who, he said, are among the best steel structure concerns in the country.

Mr. Burr contended that this contract, which provided that the contractors receive cost plus 15 per cent, was made without the knowledge of the Public Service Commission and that the Public Service Commission must have known about the details.

Comptroller Craig charged that the Interborough violated its contract with the city when it failed to obey a provision that deficits shall be cumulative and carried forward.

"Didn't the directors know of this condition when they were generously passing out dividends to the stockholders in March 1917?" asked the Comptroller of President Hedley. "You know that deficits were bound to arise, so wasn't it part of fair dealing with the public, who were your partners, to so arrange your affairs that cumulative deficits would be looked after?"

Mr. Hedley blamed everything on the war.

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get coal in order to be able to produce goods for export.

In French official circles it was declared that the Germans are dispirited by the use of a very recently invented device to avoid the execution of not only the last but of other clauses of the treaty, and that if the Allies agree on this point it would be considered in Berlin as a precedent on which to found demands for further modifications.

Mrs. Morgan and Eldest Daughter Who Met Death With Her in Fire



BREAK IN STERLING BRINGS BIG DROP IN STOCK PRICES

Pounds Decline to \$3.19—Liberty Bonds Sell Under 90, But Recover.

Further heavy liquidation occurred on the stock market to-day and new low levels for the year were touched by all the leading stocks. The decline began at the opening and continued almost without interruption until 1:30 in the afternoon, when sharp recoveries were made in many stocks. At 2 P. M. sales for the day had reached 1,454,000 shares, and \$17,268,000 worth of bonds, particularly Liberties, had been sold.

The demoralized condition of foreign exchange was believed to be the chief disturbing factor. Sterling, dropping steadily throughout the morning hours, touched \$3.19 and then suddenly bounded back to \$3.21 on the news that England had stopped the importation of cotton. Other foreign exchange, also at new low levels, recovered in sympathy. Later it fell back to \$3.15.

Cash money, which had been steady at 14 per cent, was sharply advanced at the same time that stocks began to recover. The first advance was to 16 per cent. This was followed a few minutes later by a further rise to 18 per cent. Half an hour later the rate was boosted to 20 per cent. Time money rates hardened, borrowers offering 10 per cent, without avail. Shortly before the market closed, call money jumped to 25 per cent.

Second and fourth 4-1/2 Liberty Bonds went below 90 for the first time. They recovered early, however, and remained close to last night's closing prices.

During the height of the liquidation Steel went to 109 1/2, a decline of 2 points since last night's close. Steel's total loss 10 1/2 points. American Traction 5 7/8. American West 10 1/4. Baldwin Locomotive 5 1/2. Canadian Pacific 3 1/2. Charles Schwab 3 and General Motors 16 1/2. Marine company lost 4 1/8 and Marine preferred fell off 1 1/8.

BROKER'S WIFE MEETS DEATH WITH TWO DAUGHTERS IN FIRE

Mrs. W. Forbes Morgan Perishes in Vain Effort to Rescue Her Children From Flame-Swept Home—Husband and Son Away.

Mrs. Edith Hall Morgan, forty-one years old; Miss Barbara Morgan, fourteen, and Eileen Morgan, ten, wife and daughters of William Forbes Morgan Jr., a broker, lost their lives in a fire in their home, No. 52 West 9th Street, early to-day. It was more than two hours before Mr. Morgan could be located to establish their identity.

WILSON CONFERS WITH TUMULTY ON TREATY FIGHT

Secretary Explains the Situation and New Instructions to Party Leaders Are Expected.

WASHINGTON, Feb. 4. PRESIDENT WILSON and Secretary Tumulty to-day had a long talk about the treaty situation. Mr. Tumulty gave the President a full report on the outlook in the new treaty fight.

New instructions to Wilson's supporters in the Senate may result.

SAYS U. S. CAN'T RUN 'DRY' LINERS

Impossible to Compete With Ships Serving Drinks, Payne Is Quoted.

WASHINGTON, Feb. 4.—Sale of the former German passenger liners seized at the outbreak of the war was forced on the Shipping Board by the operation of the National Prohibition law. Chairman Payne is understood to have told President Wilson.

Mr. Payne is said to have written the President that the Government could not operate liners on which intoxicants were not sold in competition with privately owned ships on which wine and other liquors were served.

It is further declared Mr. Payne told the President the board did not object to the proposal to include in the bill of sale in each case a clause giving the Government a right to requisition the liners in the event of a national emergency.

The Mercury, a vessel of 10,350 dead-weight tons, one of the seized German liners, has been sold to Charles C. A. Fisher of the American International Bureau of Supplies, New York. Officials of the Shipping Board refuse to announce the purchase price.

Wilson Kicks on Portico in Hallistorm. WASHINGTON, Feb. 4.—Despite a hail and wind storm, President Wilson ate on the south portico of the White House in his wheel-chair to-day.

THREE AMERICAN RELIEF WORKERS SLAIN IN SYRIA

Murdered by Brigands While Conveying Supplies Near El Mail.

WASHINGTON, Feb. 4. THE murder of three American relief workers in Syria was reported to-day to the State Department. The Americans were part of a convoy for American relief supplies and were killed by brigands on Feb. 1 near El Mail, north of Aleppo.

Names of the Americans were not given in the dispatch. The relief expedition was under the auspices of the American Committee for the Relief of the Near East, the headquarters of which are in New York.

Official notification of the killing of the Americans was given by Gen. Gouraud, French High-Commissioner at Beirut, to American Vice-Consul McCutcheon at Beirut.

Mrs. William Forbes Morgan Jr.